

## QUALITY AND PERFORMANCE IN THE PUBLIC SECTOR

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### Rezumat

Lucrarea se axează pe necesitatea asigurării calitatii produselor şi serviciilor din sectorul public ce a devenit în timp unul din obiectivele fundamentale în toate instituţiile publice şi autorităţile administrative din ţările dezvoltate. Lucrarea abordează modalităţi de performanţă în administraţia publică ce implică o evaluare continuă, care să ţină cont de situaţia existentă, pentru formularea unor soluţii reale de îmbunătăţire a calităţii serviciilor pe care le oferă. Cadrul de Auto-evaluare a modului de Funcţionare a instituţiilor din administraţia publică (CAF) este unul dintre instrumentele pe care organizaţiile din sectorul public îl pot folosi pentru a identifica domeniile ce trebuie îmbunătăţite astfel încât să răspundă cât mai rapid şi mai concret nevoilor crescânde şi variate ale beneficiarilor/cetăţenilor. Lucrarea se bazează pe un studiu de caz - Autoevaluarea Direcţiei Transfer Tehnologic Şi Infrastructuri din Cadrul Autorităţii Naţionale Pentru Cercetare Ştiinţifică

**Cuvinte Cheie** Performanţă în sectorul public, asigurarea calităţii în sectorul public, auto-evaluarea performanţei

### Abstract

The paper focuses on the need for quality products and services assurance in the public sector, which in time became one of the fundamental objectives of all public institutions and administrative authorities of developed countries. The paper deals with modalities performance in public administration that involves a continuous assessment, which takes into account the existing situation, to formulate real solutions to improve the quality of services they provide. Framework for Self-assessment of the functioning of institutions of public administration (CAF) is one of the tools that public sector organizations can use to identify areas that need to be improved so as to respond more quickly and more specifically the growing needs and various beneficiaries / citizens. The paper is based on a case study - Self Directorate Infrastructure and Technology Transfer of the National Authority for Scientific Research

**Key Words:** Performance in public sector, quality assurance in public sector, performance self-evaluation

**JEL Classification:** H7, P47, H11

## 1.INTRODUCTION

The quality of the products and services in the public sector became in time one of the fundamental goals within all the public and administrative authorities of the developed countries. The reforms in the public sector have focused on increasing the quality of public services, reducing budget allocations for public services, get closer to the citizens, increase efficiency and effectiveness of the sector. Quality as competitive strategy has been applied in an original way to the industrial processes and, more recently, services.

The term quality comes from the Latin word "qualis", which can be translated by the term "way of being" and has in the human consciousness a long history.

If in the ancient times it was just a philosophical concept, along with the development of production of goods in the second half of the nineteenth century became the quality and economic concept that has evolved in several stages with specific characteristics. Started with the quality inspection stage (early twentieth century), passed through the stage of quality control (the '30s) and quality assurance (years '50-'60), reached its present stage and the meaning of total quality (years' 80). European Foundation for Quality Management (EFQM) was founded in 1988 by 12 companies in Western Europe, supported by the European Commission, concerned to strengthen the position of European companies in the global market by promoting total quality. An important element of the EFQM approach is to promote self-evaluation.

EFQM defines the self as a comprehensive examination, systemic organization of activities and results by comparison with a model of excellence self-evaluation through EFQM model has the advantage that allows the organization to identify strengths (strengths) and weaknesses (areas of improvement). EFQM model is based on the principle that excellent performance results, customers, staff and society are achieved through leadership involving policy and strategy, personnel, partnerships, resources and processes (Fig. 1).

Through innovation and education are insured the development and is strengthened the determinants of the results of the EFQM Model, is presented as a system with 9 criteria for assessing the progress made by the organization towards excellence, according to the principles of Total Quality Management criteria which are subdivided into subcriteria.

This model is applicable - with slight variations to all interested organizations (including institutions). Will apply the same criteria, with the same weight, but sub-criteria under each criterion are fewer and sometimes has other forms, therefore they have different weights .

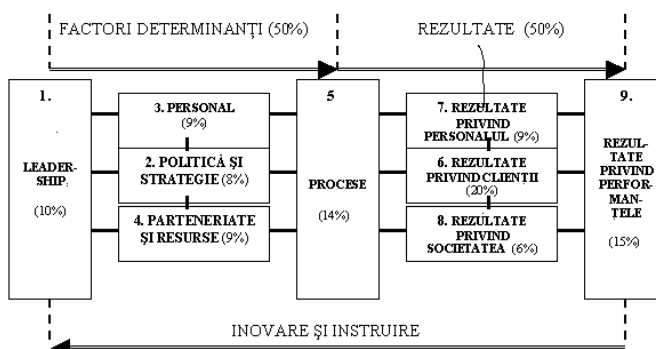


FIG.1 – The EXCELENCE EUROPEAN MODEL (EFQM)

## 2. PUBLIC MANAGEMENT BASED ON PERFORMANCE

### 2.1. The concept of performance

The concept of performance meets in the literature with different meanings, eg .with the word successful, the result of an activity, of an action In the economical domain, the concept of performance covers different understandings, such as growth, profitability, productivity, efficiency. The concept of performance hasn't accepted for so long time in the public sector. In the mid-twentieth century there was the idea that public sector there can be effective, efficiency, and even more performance to the mission of public institutions beyond that of managing public resources is to apply the normative acts and such to solve social problems whatever the cost it involves such initiatives. Such thinking has already been exceeded in public management in developed countries, after a good number of years the subject has been debated by theorists and practitioners. The premises from which it started were:

1. The thinking of public managers must lie somewhere on the border between social logic and the competitive logic ;  
 social logic that results from any initiative of representatives of public management in terms of quantity and quality of services must be determined by the general public interest and oriented in full to its satisfaction.  
 The competitive logic has to be seen the same by of all the public managers. Elements of such a logic are called performance criteria and expressed by the three "E", respectively: Economy, Efficiency, Effectiveness.
2. The public institutions, defined by the law, have responsibilities in the management of public resources to achieve public policy objectives.

The science of public management has evolved since the last decade of last century, scientists have shown that the very essence of public management's primary objective is to be determined reorientation value system for assessing performance. Public managers must first make the problem how to manage public resources efficiently to meet general social needs and achieve the best possible performance, whilst ensuring the effective functioning of the system to which it belongs and the public institution .

In time, ideas were developed and in many public institutions have been developed systems of performance indicators that can be judged on a scale value to what level were satisfied that the public interests and costs.

Performance of public organizations is based on how human resources, material and financial information are used to achieve objectives to expectations recipients of services.

## **2.2. Performance measurement in public sector**

The process of measuring performance in public sector, most scholars recognize, one particularly difficult for several reasons:

1. The multitude and diversity of stake-holder of a public organization: current and potential customers, the voting citizens, elected representatives, nonprofit organizations, professional groups, unions, public managers, etc. State.;
2. Differences in values and perceptions about performance of some various stake-holder;
3. The absence of a competitive environment in which some services are offered precisely because the monopoly position for certain services that have some public or administrative authorities;
4. Nature of public services;
5. The complexity of socio-political environment that generates a number of risks, with direct influence on achieving performance;
6. The influence of political values.

Based on these general considerations, in 1992, Stewart and Walsh (1992) estimated to measure performance in public sector based on political reasoning to identify the coordinates defining performance criteria.

Beyond that reasoning but in close conjunction with it can identify five categories of performance in public organizations: performance management, policy performance, financial performance, budget

performance and professional performance, which significantly determines the content of others.

Performance management was defined by Day and Klein (1987) as "the result of charges according to performance criteria, following the delegation of authority". Orientation existed since 1982, when the UK Audit Commission was constituted under the central government, with responsibility for assessing the efficiency and effectiveness. At that time developed a new in public sector thinking, that "Value for money" ( "value for money"), thus expressed the value created by the use of financial resources attracted in management processes and implementation of institutions and administrative authorities.

The new approach "value for money" is defined as the economical way to acquire resources and use them effectively in the implementation of public management objectives while respecting simultaneously the three "E", respectively: Economy, Efficiency and Effectiveness.

A year later, Jackson and Palmer (1988) also included other elements, namely: excellence, entrepreneurship, skill practice, the capacity of discernment.

Turning to the three "E", fundamental approach to the new trend of public management based on performance, it is considered that these elements have a significant impact on the process leading to performance.

1. Economy means that the main criterion underlying the implementation of strategies and policies, providing services, is the most economical, respectively that is the lowest cost needed to satisfy the public institution in terms of quantity and quality of public interest .
2. Efficiency is to obtain the maximum possible results with determining the level or with less resources. Efficiency is measured as a ratio of inputs (resources) and outputs (results). The formula approved by representatives of public management at central, however: consistent performance under lower level of resources attracted.
3. Efficacy is defined objectives of public managers. Effectiveness is measured by results achieved against objectives (expected results) and the impact that has on customer objectives.

According to the 'value for money', measuring managerial performance is presented in Fig. 2.

Applying such an approach requires the development and implementation of a monitoring system performance, met in all public organizations in developed countries. This requires an adequate information system, developed an organizational structure such as coordinated and management methods and techniques by which to secure the link between objectives and performance.

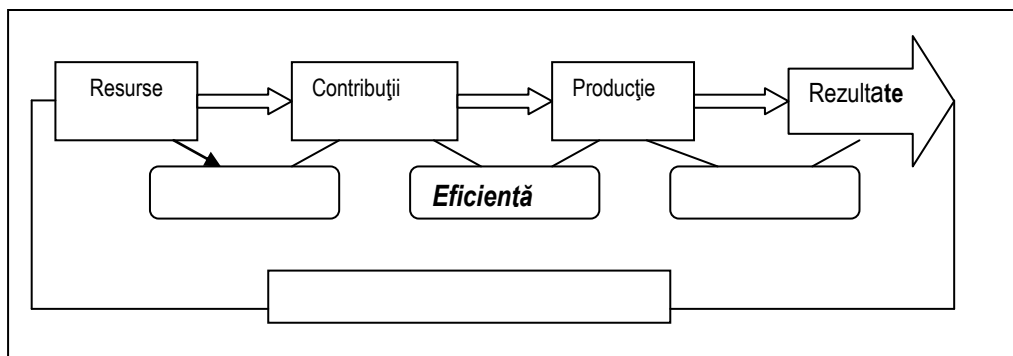


FIG.2 THE FLOW MEASURING MANAGERIAL PERFORMANCE

### 2.3. Implementation of public management based on performance

Performance-based public management is a fundamental mutation in international public management. This mutation should be implemented in any system of public management aimed at the same time satisfying public interests by considering economic criteria, in general, and the management in particular. Public management based on performance can be implemented in institutions in Romania, where at least the following aspects are considered and addressed the fundamental premises:

1. there is a general reference framework, including: common definitions for performance, performance indicators and methodology for their application, so that comparable measurements possible;
2. customization approach to each area of the public sector by identifying general and specific indicators to measure performance
3. adapting methods of analysis to different services and contextual particularities of the central and local level;
4. consistency in applying the system of performance indicators;
5. creating a system of uniform performance indicators but varied according to the specifics of public institutions
6. developing a monitoring system, support and advice in respect of performance evaluation public management at national and regional level.

The experience of public management representatives of developed countries in public management practice performance-based approach showed that the change in public organizations and the role of

public managers is not only desirable but, in terms of limiting resources, growth and diversification of stake-holder expectations of public organizations becomes absolutely necessary.

A first step in implementing the change - the meaning of pursuing efficiency in public - was to surrender to the state monopoly in the sector activities. Admission to private operators as providers of public goods and services opened the door to competition, public sector performance.

Performance analysis of an organization involves establishing a relationship between the results, means and objectives, namely an approach is needed in terms of efficiency of, effectiveness and budget. The resources used are usually provided by the state budget or local budgets (the defense, health, education, social assistance, public television). There are however services which are financed by private funds (public transport, communal, etc.). The resources of the state budget and local budgets are limited, their main source is represented by taxes collected from individuals legal. Overcoming their degree of supportability specific budgetary contributions paid discourage fraud and evasion. Therefore it is necessary to make effective use of resources allocated in order to cover as many of the social needs. The growing of the social needs in conjunction with the limited budget revenues required, especially, increase efficiency and effectiveness in public sector.

Using this goal, but also due to harmonize the Romanian legislation with the EU budget matters, public organizations have had to shift from funding based on budgets of budgetary funds to finance-based programs. Unlike the financing of the budget means that officers focus their efforts to obtain as large budget allocations, the budget-based funding programs aimed at establishing a sound correlation between the financial effort required by the state and the expected effects from the use of funds allocated.

In this case, authorizing officers are anxious to establish optimal relations between the costs (financial effort) and outcomes (effects) of the proposed program to convince state authorities, that the program deserves to be entered in the state budget and approved by those in charge. At the same time they spent watching all costs money to turn the budget, but implementation of the program, employment within the deadlines set and indicators of effectiveness (efficacy) approved.

Programs should include: the final goal of the work done by a ministry or other central or local public institution, objectives, define program priorities and indications specifying the time horizon covered, estimate potential for increased efficiency / effectiveness from the application program, the financial effort required by the implementation of the program, results indicators, qualitative and quantitative, and funding sources.



#### **2.4. Budget allocation based on performance**

What is new about the budget allocation? Budget allocation according to the results promote market solutions to problems of non-performing programs. It supports a structure based on incentives and penalties, the first time in funds for good results. Therefore, contrasts sharply with the traditional approach to budget management, focusing on resource allocation and control used with little attention paid to effective performance analysis program. The increased allocation of budget policy objectives that are usually much less pronounced and no constraints on quantity and quality of output's . Budget allocation based on performance, however, starts from the level of performance and examine whether the objectives have been met. Budget allocation based on performance, however, increase flexibility and remove constraints of resource management. Agencies spending are (ideally) able to reallocate funds within controls on budgetary issues lines. Thus, organizations and managers have more maneuvering room. In short, budget allocation performanțelor moved on "from focusing on inputs and how they are used to focus on output and how they met budgetary targets originating." .

Performance indicators can be divided into three categories: efficiency measures (ie, indicators measuring the quality of services provided) and effectiveness (ie indicators that measure whether the objectives have been achieved) and - with varying degrees of application from country to country - assessment ( ie indicators that measure customer satisfaction and results). The argument is that these indicators will allow decision makers to create a consensus on the program, if it works properly and if more should be allocated to other funds. Following this reasoning, should be easy to "reward winners and punish losers" by establishing a relationship between performance and resource allocation.

#### **2.5 Improving public sector performance**

Public sector performances are generally closely linked to overall economic performance of different countries.

Improving public sector performance is a goal that has important role in the political agenda of all industrialized countries.

Most countries consider that the public sector can work better by using best practices of other countries.



### 3. CASE STUDY: Self Directorate TECHNOLOGY TRANSFER AND INFRASTRUCTURE OF THE NATIONAL AUTHORITY FOR SCIENTIFIC RESEARCH

#### 3.1 Mission and responsibilities of the National Authority for Scientific Research

**National Authority for Scientific Research (NASR)**, founded in 2005, is specialized government body that provides design, implementation, monitoring and evaluation of policies in scientific research, technological development and innovation, in line with the strategy and governance program.

According to Government Decision 1449/2005, NASR has taken over the responsibilities and duties in this area of the Ministry of Education and Research, in which subordinates work.

In the context of accession and the integration of Romania into the European Union and reconsidering the role of research and technological development as a strategic governmental priorities, the National Authority for Scientific Research is a complex task to ensure harmonization of national policies guiding current IDUs with European and to create conditions for rapid and efficient integration of our country in the European research

NASR sphere of responsibility covers the following categories of activities:

- scientific research and technological development;
- technology transfer and innovation;
- international cooperation in the field;
- institutional development, human resources and infrastructure for the area;
- CD distribution and dissemination of results;
- promotion and public awareness activities CDI.

The main directions in which the NASR by policies in R & D and innovation, to fulfill its mission and achieve the targets, are:

- Developing, launching, funding and monitoring the national research and development of innovation;
- Creating and developing an incentive framework for conducting research and development and innovation, in line with the principles, criteria and procedures used in the EU;
- Integration into the EU and the international flow of research and development

- State functions is approved by order of the Minister of Education and Research at the President's proposal NASR.

In the following NASR isoperating he folowing staff:

- a) senior civil servants,
- b) leading public servants,
- c) implementing public servants,
- d) personnel for contract execution,
- e) advisers for european integration

According to Government Decision nr.1.449/2005 organizational scheme, the structure is organized NASR following departments:

1. General Programe Division.
  - 1.1. Policy Research and Development Division, Contracts and Monitoring National Programs.
  - 1.2. European Integration and International Cooperation Division.
2. General Division for Research Intermediary Body.
3. Technology Transfer and Infrastructure Division.
4. Economic Department.
5. Legal and Litigation section.
6. Public Internal Audit department.
7. Compartment for Public Relations and Media.
8. Compartment for Informatization
9. Compartment for Huan Resources

Driving each Directorate-General is exercised by a Director General assisted by one or more Directors, appointed on a competitive basis, as required by law.

Driving directions each is exercised by a Director, assisted, where appropriate, a deputy director, appointed by competition, as required by law.

Management of each agency or office is exercised by a Head of Service, by a head that office, appointed by competition as required by law.

### **3.2 Presentation of the Technology Transfer and Infrastructure Directorate**

- The Technology Transfer and Infrastructure Directorate (DTTI) are held in two services:
  - Innovation and Technology Transfer Service.
  - Infrastructures for Research and Development Service.
- Technology Transfer and Infrastructure Division exercise its competence in the following main tasks:
  1. Develop policies and strategies in innovation, technology transfer and research infrastructure development and innovation and their correlation with government policies and strategies of socio-economic development, adapted European context.
  2. Monitoring and evaluation of policies and strategies to achieve innovation, technology transfer and research infrastructure development and innovation.
  3. Development and implementation of specific tools (programs / projects) for infrastructure development of innovation and technology transfer.
  4. Developing the regulatory framework (laws, ordinances, orders, decisions, regulations and specific methodologies) required to implement policies and strategies for innovation, technology transfer (ITT) and research infrastructure development and innovation.
  5. Dissemination of information, nationally and internationally.
  6. Networking with national and international bodies involved in the field of innovation, technology transfer and research infrastructure - development - innovation.
  7. Development and implementation of specific tools (programs / projects) to support technology transfer.
  8. Monitoring the implementation of state aid rules for programs in coordination Directorate.
  9. Monitoring to comply with proposals compartment audit findings that recovery when they exist, in collaboration with the Legal Section and Litigation.

### **3.3 Self-Direction and Technology Transfer Infrastructures**

Self-Direction Technology Transfer and infrastructure has done on several criteria:

### ***Criterion 1 - The management and its role***

- 1.1 What is the leading institution to give guidance, develop and communicate a perspective, clear mission and values?
- 1.2 What is driving the development and implementation of a management system for the organization?
- 1.3 What does the leadership in motivating and mobilizing staff, boosting its involvement acting as such?
- 1.4 What does the driving for to manage relationships with policymakers, but internal and external partners of the institution?

### ***Criterion 2 - Strategy and Planning***

- 2.1 What is the institution to collect information on current and future needs of
- 2.2 stakeholders in its projects?
- 2.3 What is the institution to develop, monitor and update the strategy and action plan?
- 2.4 What does the institution to implement the strategy and action plan as a whole?

### ***Criterion 3 -Human Resources Management***

- 3.3 What is the institution for planning, managing and improving human resources, taking into account the strategy and planning?
- 3.4 What is the institution for the identification, development and use of its staff ensure consistency of objectives and goals of individuals, teams and the structure taken as a whole?
- 3.5 What is the institution for the involvement of its personnel by developing dialogue, accountability and autonomy?

### ***Criterion 4 -Partnership and resources***

- 4.1 What are the existing measures to ensure that the institution identify and develop the
- 4.2 constructive partnership relations?
- 4.3 What are the existing measures to ensure that the institution develop and implement partnership
- 4.4 relations with beneficiaries (customers / citizens) and / or with partners (internal / external)?
- 4.5 Who are the existing measures to ensure that the institution managing knowledge?
- 4.6 What are the existing measures to ensure that the agency would manage financial resources?
- 4.7 What are the existing measures to ensure that the institution manages technology resources?
- 4.8 What are the existing measures to ensure that the institution maintain buildings, facilities, equipment and materials?

**Criterion 5 -And change management processes**

- 5.1 What are the ways in which the institution identify, design, manage and improve processes?
- 5.2 Sample evaluation sheet:
- 5.3 What are the ways in which the institution develops and provides services involving them and the beneficiaries?

FAVORABLE OBSERVATIONS	NOFavorable Comments
-Identify, select and priority objectives for the area of the tranfer innovation and technological research results for absorption in the economy, raising the visibility of research results and to develop research infrastructure development, technology transfer - Develops plan of actions and measures to implement policies and strategies for innovation and transmission technological respectively of those developing research infrastructure development and innovation and human resources development system research and development, - Assess the state of implementation of the above policies and the degree of achievement of objectives, - Establish and develop a regulatory framework necessary to implement policies and strategies for innovation, technology transfer (ITT) and research infrastructure development and innovation - Contribute employees in activities necessary to achieve its goals,	

Evaluation

Note		Proposed note
	Do not know how to respond, not understand the question, the question makes sense for the organization.	
	No action or project that contributes significantly to this end.	
1	A plan of action has been defined	
2	A plan of action has been defined and put into action	
3	An action program has been defined and implemented. Performance is monitored.	
4	An action plan has been defined and implemented. Performance is monitored and if necessary, undertake corrective action.	
5	Defining an action plan, application, monitoring and adaptation are part of achieving a permanent cycle (continuous improvement process).	5
Courses of action (runways Action)		
Difficulty in understanding		

It can emerge from this self-evaluation that the Department of Technology Transfer and infrastructure activities are planned, implemented, conducted, monitored and improved in order to remedy any faults.

To increase the effectiveness of the organization and its beneficiaries to enhance confidence in actions taken by this organization, continuous improvement must be included in how to work in the organization. In this respect, the results of self-evaluation, it can be an action plan to improve business.

#### 4. CONCLUSIONS

Public sector reform became a necessity, being subject to development economic, social, political, financial, such as:

1. budgetary pressures, with emphasis on improving quality of services as a means to reduce costs or to "do more with less expenditure";
2. a demanding public who wishes to benefit from better services and have a say on these services;
3. recognition that a more efficient public sector and public-oriented entail economic performance in general;
4. pressures for legitimacy and transparency of governance by specifying the rights of each citizen to services and increasing equal access to services;
5. new technological opportunities for improving service quality;
6. changes in private management theory, which are relevant or transferable to public management.

Reform strategies in the world is based on the one hand, the basic argument which is to improve public sector performance through its exposure to the rigors of market-type mechanisms, and, secondly, by redefining the role of public sector the economy. Between public sector reforms have been introduced to theories and practices used in the private sector to improve quality of public services, reducing budget allocations for public services, closer to citizens, improve public sector efficiency and effectiveness. The existence of effective government is one of the most important criteria that define the degree of modernization of a country. Based on these issues, a priority for Romania is to achieve real reforms that government to fall in the standards of European governments and to be characterized by transparency, predictability, responsibility, adaptability, efficiency and effectiveness. Modernization of public administration at central and local levels will help to improve the quality of service to the citizens, who

are increasingly in the public exigență. Performanța involves continuous assessment, which takes into account the existing situation, to formulate real solutions to improve the quality of services offered. Self-evaluation framework of the functioning of government institutions (CAF) is one of the tools that public sector organizations can use to identify areas for improvement so as to respond as quickly and specifically the growing needs and various beneficiaries / citizens.

The success of public administration reform is possible by establishing a relationship between individual and state, based on responsibility.

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